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CALIFORNIA STATE ALLOCATION BOARD
FULL-DAY KINDERGARTEN
FACILITIES GRANT PROGRAM
STAKEHOLDER MEETING

VAN NUYS STATE BUILDING
6150 VAN NUYS BOULEVARD
VAN NUYS, CA 91401

DATE: THURSDAY, SEPTEMBER 13, 2018
TIME: 9:00 A.M.

1 APPEARANCES:

2 REPRESENTATIVES OF THE DEPARTMENT OF GENERAL SERVICES, OFFICE
3 OF PUBLIC SCHOOL CONSTRUCTION (OPSC) PRESENT:

4 MICHAEL WATANABE, Chief, Program Services

5 BRIAN LAPASK, Policy & Operations Manager, Program Services

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P R O C E E D I N G S

MR. WATANABE: Good morning. Today is September 13th, 2018. It's the second stakeholder meeting for the Full-Day Kindergarten School Facilities Grant Program.

Before I get started, our office has hired a new team to handle this program, so I want to introduce them before we go through the agenda. I'll bring them up. The supervisor of this team and their names and numbers will be on our website for contacts, if you have any questions about the program following this meeting.

We have Joshua Potter. He's the new supervisor of our team. You might remember him from our facility hardship team as a project manager. Alexandra Ruiloba is one of our analysts for the team and Lindsey Gordon. So they'll be assisting you with anything you need for our program. So again, if you need their contact information, they will be on our website shortly. Okay. Thank you, guys.

So again thank you. We are down here in Van Nuys. I appreciate you guys coming today. Just a little bit of a format. We are going to walk through -- this meeting is webcast, not live but we will record it for the record so that people that aren't here can catch up on the information.

1 Brian and I will present kind of an overview of
2 what we did last meeting, the full item. We'll do it a
3 little bit abbreviated this time since we already did it
4 once, but just kind of a recap for those that weren't able
5 to watch that already.

6 We're going to go over some of the questions we
7 got at the last meeting and some of the emails we received
8 from stakeholders. We got a lot of good feedback, some
9 items we hadn't considered, so we've incorporated that into
10 this item, so we'll go through those.

11 We did bring back some tiebreaker options to talk
12 about, if anybody has any concerns about those or additional
13 considerations that we hadn't thought about, and then we'll
14 talk a little bit about the next steps. We'll go through
15 any questions you have of what we've done so far and we'll
16 go forward from there. All right?

17 So just to recap, Assembly Bill 1808 added
18 Education Code Section 17375. That Assembly Bill was signed
19 by the Governor back on June 27th, 2018, and what that did
20 was create this Full-Day Kindergarten Facilities Grant
21 Program.

22 As part of the Governor's budget for 2018-2019, a
23 hundred million was provided for this program, which
24 2.5 million is being used for administrative costs to run
25 the program.

1 This program is designed to allow school districts
2 to construct new classrooms for full-day kindergarten or
3 retrofit existing classrooms that don't meet Title 5
4 requirements currently or they need to meet them.

5 Full-day kindergarten is defined in statute as
6 four hours or longer exclusive of recess.

7 So going through the item, this is on page 5 of
8 the agenda. Staff's interpretation of statutes is that any
9 school district can apply for this program. In the School
10 Facility Program, there are specific definitions for COEs
11 and CDE applying on behalf of school districts. That's not
12 an option in this program, neither are charter school --
13 private charter schools.

14 School districts can apply on behalf of charter
15 schools, though, in their area.

16 What we propose going forward -- we're trying to
17 move the money fast. This is cash available from the
18 general fund and it is available today to start giving out.
19 So we're trying to get this program going quickly.

20 So we're proposing an initial round, assuming the
21 regulations get approved by the Board in October and we can
22 move them that quickly, that beginning January 2nd through
23 January 31st, we'd start accepting applications for the
24 first round.

25 We just did a one-third/two-third split for the

1 first round figuring people aren't going to be as ready. We
2 are proposing 37.5 million be set aside for the first round,
3 start funding projects. If any of that's leftover, we'd
4 roll it over into the second round.

5 Anyone not funded in the first round is welcome to
6 apply in the second round if we get too many applications.
7 The second round we are proposing to do the remaining
8 balance of 60 million and any carryover for the first round.

9 If we don't expend all money by the end of the
10 second round, then we're going to propose to the Board that
11 they keep the round open for 18 months and we'll just keep
12 funding down the list as money comes available.

13 We have three years to get rid of all the money.
14 So if we need a third round, we'll do a third round sometime
15 in 2020-ish or so.

16 So the program itself, it's pretty simple
17 criteria. You're on a site where you have existing
18 kindergarten pupils, but you don't have the facilities to
19 provide full-day kindergarten. So maybe you run two
20 half-day kindergartens in one kindergarten classroom.

21 We would give you enough money to build another
22 classroom to house half those kids or retrofitting existing
23 classroom. Let's say you have a first grade classroom on
24 campus that's not designed for kindergarteners. This
25 program allows the retrofit of that classroom to make it

1 kindergarten compatible.

2 We have kind of an illustration of that on page 7
3 of the current item, and the particular example we show
4 there, you're running two half-day -- two classrooms with
5 a.m. and p.m. kindergarteners in both classrooms so a
6 hundred kids in two classrooms.

7 The state loading standards is 25 pupils per
8 classroom. So you -- if you want to go full day, you would
9 need two more classrooms. So with this full-day
10 kindergarten project, we would allow you to build two brand
11 new kindergarten classrooms or retrofit two classrooms to
12 satisfy them. So at the end of your project, you're running
13 four full-day kindergarten classrooms.

14 Let's see. For this program -- I'm now on page 9.
15 There is a match requirement to this program. For new
16 construction projects, it's 50 percent split by the state,
17 50 percent by the district. For retrofit projects, it'll be
18 60 percent for the state, 40 percent for the district, very
19 similar to the School Facility Program.

20 There is a financial hardship component. If you
21 cannot afford as a district your local matching share, we
22 will -- you can apply for financial hardship where the state
23 can cover up to 100 percent of your share.

24 If you're familiar with the School Facility
25 Program, it'll run exactly like that program. You meet the

1 same qualifications and then we do a review of finances to
2 see what kind of district contribution you contribute to the
3 project.

4 Continuing on, we're envisioning two different
5 type of application types and it doesn't matter if you're
6 financial hardship or non-financial hardship. You can do
7 either one of these options.

8 The first one assumes that you have DSA approved
9 plans. So I'm at the bottom of page 9. If you have DSA
10 approved plans, you're ready to move quickly. We envision
11 you being able to reimburse any projects with contracts
12 after the signing of the bill June 27th.

13 You would submit an application for us with those
14 full DSA approved plans. At a future Board, the Board would
15 provide a cash funded apportionment for your project. We
16 would send you a grant agreement for the project and once
17 you're able to certify that you have binding contracts for
18 completion of the project, we'll release your funds to you.

19 Really quick, we're going to put a requirement on
20 there too that you request a release of funds within 180
21 days. Once we release the funds, you continue to build your
22 projects and you'd have an expenditure reporting
23 requirement -- oh, it should be a one-time reporting
24 requirement, not an annual like in the SFP. So we'll have a
25 form for that also.

1 Knowing that we're moving fast, a lot of people
2 may not have seen this program coming. The second option is
3 more of a phased approach for your project where you don't
4 have DSA approved plans. You may not have any plans at all,
5 may not even have a site identified or the land that you're
6 going to put it on.

7 So this is on page 10. There's a chart in the
8 middle there to kind of explain the phased approach.

9 You would use the exact same application form for
10 us to apply, but you just would leave blank the part where
11 your DSA letter is signed off. You would leave those dates
12 blank and there will be future certifications.

13 We would still take the apportionment at a future
14 Board and then we'd set aside cash for you.

15 In this case when you don't have plans or a site
16 identified, we'll set aside the cash for one year for you to
17 complete the entire process. Once the Board approves your
18 apportionment, we will send you a grant agreement for the
19 design funding.

20 If you are requesting site acquisition funding, we
21 will release the grant we typically site other. It's the
22 2 percent add-on that we use for appraisals, escrow fees,
23 let you do all your preliminary testing with that 2 percent
24 grant.

25 We will release that automatically as soon as you

1 get the grant agreement back to us so that you can start
2 identifying your site and designing your plans and moving
3 forward.

4 Once you've entered escrow for your project, we
5 will send you a grant agreement for the site acquisition
6 part of it. You'll return that to us and we'll release the
7 rest of the proceeds so you can continue on with the
8 purchase of your property.

9 And continuing along on those steps, you'll
10 continue to go on through the design, get your DSA plan
11 approval, and then when you're ready for it, you will
12 submit -- you'll go to contract and you'll submit your final
13 fund release request and we'll release the remainder of your
14 balance of funds to you.

15 You don't have to do phased funding. If you don't
16 request a separate site acquisition early, the district can
17 afford to cover it on their own until then, when you request
18 your construction fund release on the backend, we'll just
19 release everything at once. So you're not forced to do the
20 separate site release if you don't need to.

21 And then, once again, after those funds are
22 released, you'll have an expenditure report upon completion
23 of the project.

24 The application process, we're trying to keep it
25 simple. A lot of self-certifications on getting in, knowing

1 that you might not have a site identified. The per pupil
2 grant funding is the same as in SFP. We take the same
3 loading standards of 25 and multiply it by those same pupil
4 grants.

5 You're going to indicate on the form whether you
6 want new construction or you're going to do a retrofit
7 project. We are going to ask for copies of your site maps
8 and a narrative. We want to know what you do right now on
9 that campus with your kindergarten classrooms. Are you
10 running half-day. Are they not in kindergarten classrooms,
11 whatever the case may be. What is your proposed project and
12 the outcome after that.

13 Ideally, it matches that chart early on where
14 you're telling us that you have two half-day kindergartens
15 in one classroom and you intend to build a new one and then
16 afterwards, you're going to have two full-day kindergartens.

17 So it should be relatively simple, but we would like
18 an idea of what you're doing.

19 We want to see a site map of your campus, identify
20 all the buildings on there so we can see where the
21 kindergarten classrooms are or the lack of kindergartens are
22 on that site map. Some kind of enrollment documentation to
23 match your CBEDS.

24 Again, like we talked before, the program is
25 designed to house existing kindergarten classrooms. So this

1 is not for growth. Not projected five-year enrollment like
2 in the SFP. You're actually housing kids that already exist
3 on that campus. So we want to know what your enrollment is
4 right now for that campus.

5 If the district already has a certification at the
6 school board level that you're going to be running full-day
7 kindergarten pursuant to Education Code, we'll ask for a
8 copy of that certification.

9 If you're only intending to do full-day
10 kindergarten if you get funding from us, then you can
11 certify that you'll provide it at the end of the project.
12 So you don't have to do that early and commit to it at the
13 school board level that you're going to do full-day
14 kindergarten if you're waiting to see if you're getting
15 funding from us.

16 And then lastly, with that application, if you
17 would like financial hardship funding, you'll submit a
18 request, check a box on there -- on the form and then our
19 financial hardship team will reach out to you when we're
20 ready to process the application.

21 If you're requesting site acquisition, you'll base
22 your amount off a preliminary appraisal that you have.
23 After you actually do your full appraisal -- our thought is
24 you're going to be adding onto an existing campus for site
25 acquisition. You're buying the house next door so you can

1 expand a little bit to drop that last classroom on.

2 We're not allowing a huge site purchase. The
3 project's not a new school project. So expect small sites.

4 But let's say it's a house, we don't expect you to
5 do a full appraisal where you're going in there and -- into
6 the house and, you know, evaluating everything for your
7 appraisal. Just preliminary appraisals, rough estimates of
8 what that value is, and we will fund your site acquisition
9 based on that amount and we'll reserve that cash flow so
10 that you can continue through the process to purchase it.

11 At the time you do your fund -- oh, the other
12 grants you'll ask for, site development, if you need those.
13 Brian will talk about how we calculate those. If you think
14 you're going to do a multilevel building for your
15 kindergarten classrooms, you'll check those boxes too and
16 we'll provide all the grants based on those calculations.

17 When you get to fund release, we will true up only
18 the site acquisition grants and the multilevel grant. We
19 won't be doing a re-review of your financial hardship if you
20 still qualify. We expect it to be a quick process. Not a
21 lot will be changing.

22 So there are those two things that we'll true up
23 for your actual site acquisition expenditures.

24 And then lastly, your expenditure report. Similar
25 to what you do for all the other programs we administer,

1 warrants and invoices, we'll ask for basically a ledger
2 sheet of all those and then at such time you get audited by
3 the local auditors, you provide them the actual invoices and
4 documentation.

5 Any questions so far? Okay. Brian will walk you
6 through the calcs in the individual grants.

7 MR. LAPASK: Good morning. Brian LaPask with
8 OPSC. So I'm picking up on page 11 here in today's handout.

9 So as Michael talked about a little bit, the way
10 we're going to calculate these grants is very similar to
11 just a regular K through 6 classroom. We're going to use
12 the new construction K through 6 grant and also the
13 modernization K through 6 grant.

14 Down at the bottom of page 11, you see kind of --
15 couple of simple examples there of what it would just look
16 like for the base grant amounts, and we'll talk about how to
17 add onto those later, but it's pretty straightforward,
18 nothing that -- if you're familiar with our program, it's
19 nothing you haven't seen before.

20 Moving onto page 12, there's a chart at the top
21 here for supplemental grants and it's showing what has been
22 provided for in the full-day kindergarten statute. So I'll
23 just kind of go through those.

24 For retrofit projects, it's just going to be
25 project assistance and fire alarm and then for new

1 construction projects, site development, site acquisition,
2 the DTSC and hazardous waste. That goes along with site
3 acquisition, if that's required. Fire alarm and sprinkler,
4 project assistance, and multilevel construction if it's
5 going to be a multilevel facility.

6 As far as the site development goes, it's going to
7 be a little different than what we do for the SFP. For the
8 SFP, there's a site development worksheet with three
9 different divisions.

10 For this program, we're just going to give a
11 35 percent increase to the base grant amount. We went back
12 and looked at all of our new construction projects over the
13 history of the program and it was an average of 35 percent.
14 So that's where that number comes from.

15 So it's going to be a very straightforward review
16 that way for the district and for us and we think that it's
17 probably going to be appropriate.

18 And then for retrofit projects, we can't allow
19 50-year-old building increase grants like the per pupil
20 grant increase, but if you do have a 50-year-old building
21 that needs utilities, we'll give you 15 percent of the base
22 grant for that, and then I'm going to talk a little bit more
23 about -- in a little bit, I'm going to talk a little bit
24 more about any potential site development as part of a
25 retrofit project as well.

1 Let's see. Site acquisition, like Michael said,
2 it's very similar to SFP. The proposed site must be
3 adjacent to the current existing site that you're adding to
4 and we're going to prorate the funding. And again, a little
5 bit later, I'll have an example of that and I'll explain
6 what that means.

7 But basically, it's the same as SFP, the same
8 requirements, the same documentation. If the district has
9 final CDE site approval, it's going to be the lesser of the
10 actually appraised value of the site and then the 2 percent
11 or the site other grant is available, relocation assistance
12 if needed, DTSC, hazardous waste. So it's very similar.

13 If you haven't received your approval yet -- I
14 think Michael just talked about this, but it will be based
15 on a preliminary appraisal. You can still get those other
16 grants and then we'll actually true those up when it's time
17 to submit the full funding application.

18 Let's see. So at the center there at page 13,
19 there's a little bit more of a complex calculation example
20 of what a true project might look like. Example 1, it's a
21 two classroom, new construction project and it shows the
22 base grant, the site development, add-on, fire alarm and
23 sprinkler and project assistance and kind of how that would
24 look. So it's about a \$1.6 million total project cost for a
25 two classroom project.

1 And then a retrofit project for a two classroom
2 retrofit would come in a little under 400,000. That doesn't
3 include any site development, though, and I'm going to get
4 into that again in just a minute.

5 So along with these grants that were specifically
6 provided in the full-day kindergarten statute, there are
7 some that aren't in there and we have a little list here.
8 Relocation is actually listed on there, but we've gone back
9 and kind of taken a look at that one and relocation will be
10 allowed. So we forgot to remove that from our last handout,
11 but that will be allowed.

12 But 50-year-old buildings, I said that earlier,
13 the per pupil grant increase amount is not provided for.
14 New school project is not provided for and then urban
15 security -- these are some of the ones that you'll the most
16 in SFP projects that we don't have for this program.

17 Urban security impacted site, small size project,
18 geographic, and access compliance and fire code. If there's
19 anyone out there that can see a nexus in the statute, we'd
20 love to hear your thoughts on that, but we didn't see it.
21 So it's pretty clear to us we can't provide those, but like
22 I said, if you have some ideas about that and want to
23 discuss it with us, we're open to that.

24 So this program -- we're going to implement -- or
25 we're proposing to implement priority points for it because

1 we anticipate there might be a need for ranking the
2 applications. We'll probably -- well, we're hoping at least
3 that we'll have -- we'll be oversubscribed. It will be a
4 popular program.

5 So there's two categories for priority points.
6 Each one's worth 40 points. The first one is if you're
7 financial hardship and no matter what level of financial
8 hardship you are, you'll get 40 points for that. So that's
9 half of the points.

10 The other half is based on underserved communities
11 and their free and reduced price meal percentages. It's a
12 districtwide look at the free and reduced lunch percentage,
13 not a site specific look. So it starts at 60 percent. If
14 the district has 60 percent of their students, that's 4
15 points and then it goes all the way up on a sliding scale to
16 a hundred percent would be 40 points.

17 And so those will be added together to determine
18 your priority point score. I'll talk about tiebreakers
19 here -- I'm on page 15 now, by the way. I've been kind of
20 speeding through this thing.

21 I'll talk about tiebreakers more in a minute. For
22 the fund release, Michael alluded to this a little bit, but
23 basically there's three categories. The first one would be
24 design and then just getting your site other fee.

25 This will be an automatic release and you don't

1 need to send us a fund release request form. I believe it's
2 going to be a 70-02. We don't have it published yet, but
3 that's what the form's going to be called.

4 You will need to send in a grant agreement,
5 though. And so as soon as we get that grant agreement,
6 we'll release those funds to you.

7 For a site grant, after your apportionment and
8 upon receipt of a grant agreement and a fund release
9 request, we'll release those. And then for the full
10 adjusted grant, it's like a standard SFP project. We need a
11 grant agreement, the fund release request form, and all the
12 associated documentation that goes along with that.

13 So let's see. I think that's about it for the
14 recap of the former item. One last thing to mention -- or a
15 couple things. We are working on a list of eligible and
16 ineligible expenditures that will be in the grant agreement.
17 We plan on sending that out soon. We're finalizing that, so
18 we're going to have that very soon and the audits for this
19 program will be just like Proposition 51 projects.

20 There will be a local audit. That auditor will be
21 hired by the school district.

22 Okay. So that was our presentation back on
23 August 28th and now I'm jumping to the beginning of the
24 handout today, so back to page 1. And I'm going to read
25 through some of the questions that we received at that

1 meeting and then what our proposed solutions for those
2 questions are.

3 So jumping right in on the bottom of page 1, there
4 was a question that will the program provide additional
5 funding for playgrounds, added restrooms, parking, drop-off
6 areas, food service, et cetera, the thought being that there
7 might need to be additional spaces for those things because
8 you're going to have full-day, not a.m. and p.m.

9 And the answer's yes. That's what that 35 percent
10 is for. We are going to add that 35 percent to the retrofit
11 grants as well as having it -- we already had it for new
12 construction, but we're going to add it to the retrofit
13 grants as well.

14 So the retrofit grant could actually get
15 potentially 35 percent for site development and then another
16 15 percent if it's a 50-year-old building that needs utility
17 upgrades.

18 Moving onto page 2, will the funding be
19 retroactive. Is there any availability for retroactive
20 funding? The answer's yes, but we aren't able to go back
21 past the inception date of the full-day kindergarten program
22 which was June 27th of this year.

23 So as long as those expenditures were made after
24 that date, you can be reimbursed. Before that, the program
25 didn't exist, so we wouldn't be able to do that.

1 Next question is, is there a minimum length of
2 time that a district funded under the Full-Day Kindergarten
3 Facility Grant Program must offer full-day kindergarten.
4 The statute doesn't stipulate anything, but you should be
5 prepared to demonstrate during your audit that you're
6 operating a full-day kindergarten in that facility.

7 It doesn't say how long it has to be there.
8 There's not like a, you know, 10 or 15, 20 year, anything
9 like that. So the audit will check for it, though.

10 Is there information available to help determine
11 if existing kindergarten classrooms met design requirements
12 at the time they were built? OPSC and CDE will work with
13 you on that -- on determining that. CDE may be able to help
14 to see if those facilities were out of compliance or not at
15 the time that they were built or retrofitted, but the
16 district is going to be certifying that the facilities don't
17 currently meet those requirements.

18 So if you're unable to certify that or you're not
19 sure, we can help you out with that and CDE is going to be
20 able to assist with that as well.

21 Can district submit applications on behalf of
22 charter schools? Yes, as long as they're in Field Act
23 compliant buildings and also Title 5 compliant buildings and
24 they have to be district owned. So as long as those
25 conditions are met, they can apply for charter schools.

1 It also has to be a school district that offers
2 kindergarten. So it couldn't be a high school district.
3 It'd have to be like an elementary or a unified district.

4 We talked about just a minute ago -- there was a
5 question -- they wanted to clarify if free and reduced lunch
6 preference points would be -- if the percentage would be
7 based on the site where you're building the facility or if
8 it'd be on the district and it is going to be districtwide
9 for that.

10 We have a link there where you can check that as
11 well. There's a link and instructions provided on how to
12 find that out and it'll just be whatever's the current
13 percentage when you apply to the program. That's the
14 percentage that will apply to the project.

15 Down at the bottom of page 2, does the program
16 provide funding for transitional kindergarten facilities?
17 Yes, transitional kindergarten is basically viewed the same
18 as a regular kindergarten grade level, but when you're
19 providing facilities for them, you actually combine the
20 enrollment together.

21 So, for example, if you had 12 transitional
22 kindergarteners and you had 12 regular kindergarteners, that
23 would just be one classroom worth of students, not two. We
24 wouldn't separate them out like we would for different grade
25 levels. So we'd combine them.

1 Moving onto page 3, this question is basically if
2 you were to reconfigure a space that's not currently a
3 kindergarten classroom into a full-day kindergarten
4 classroom, could you use your grants from the program to
5 replace that other space, whatever it may be, a classroom or
6 an admin or whatever it was.

7 We don't think so. The statute is clearly to
8 provide funding for new or retrofit full-day kindergarten
9 classrooms. So if you're doing something else with it, we
10 don't think that we could use the funds for that.

11 Do savings need to be returned? We're proposing
12 to adopt the same model we use for the School Facility
13 Program. So in that model, financial hardship projects need
14 to return their savings.

15 If you're not a financial hardship district, you
16 can keep them for other priority -- other high priority
17 capital outlay projects in the district. So we're proposing
18 just to keep that same model for this program.

19 And then at the center there at page 3, we have an
20 example of what it would look like if we prorate the site
21 acquisition. So we talked to the Department of Education.
22 They allow .3 acres per kindergarten classroom and then for
23 each additional one, you multiply that .3 by 80 percent.

24 So there's a chart there that shows for one
25 classroom .3 acres, two classrooms .5, and so on. Those

1 acreage amounts are to account for the classroom itself, any
2 necessary paved or turf area around a classroom, a
3 playground and lunch area as well as parking and drop-off.

4 So all those things are included in that
5 calculation and there's an example there that shows if
6 you're building a two classroom project and -- you know, for
7 two classrooms, you're eligible for half an acre, but if you
8 were to purchase 1.7 acres, for example, that's how the
9 prorate would look there.

10 We would divide the acreage acquired by the amount
11 that's eligible and then multiply that amount times the
12 grant. We can help you with that too if you're having
13 trouble calculating it when you fill your application out.
14 Just give us a call.

15 And then we had a question of why it's necessary
16 to adjust new construction eligibility when you're not
17 adding capacity to the site. You're kind of expanding your
18 program.

19 The statute that covers that part of the program
20 is very clear. There's no exception for this program or any
21 other reason. So we're required -- we're bound by that to
22 make an adjustment. And so you will have to make an
23 adjustment if you add a classroom.

24 Last page, page 4, can a new construction project
25 replace excluded portables? No. SFP provides for the

1 replacement of excluded portables, but the statute that
2 created this program, 17375, is not in the SFP. So it's --
3 we look at it as being different, but if you do have
4 kindergarteners in an excluded portable, you can qualify to
5 build a new facility for them.

6 So you can build a full-day kindergarten facility
7 and get them out of that excluded portable. We just can't
8 replace it -- replace the actual portable itself.

9 Then the last question was can a Full-Day
10 Kindergarten Facilities Grant Program application be
11 combined with an SFP project? The statute doesn't say it
12 can't be. So we think it can. We just want to make sure
13 we're very careful about delineating the work in the plans
14 and also the expenditures between the two programs so that
15 we're clearly accounting for each program separately.

16 This would be similar to if you had like in the
17 past, say like an overcrowded relief grant program and a new
18 construction at the same site. You have to be very careful
19 to separate them and keep track of them separately, but you
20 can combine them.

21 Okay. So lastly, we said we'd bring back
22 tiebreakers and we have a couple of proposed ideas here down
23 at the -- or in the middle of page 4.

24 The first tiebreaker, if they have the same
25 priority points -- so if two applications have the same

1 amount of points, the first tiebreaker we're proposing to
2 have would be if the district that is applying has not
3 previously received funding under the program -- under the
4 full-day kindergarten program either in a prior round or the
5 same round that we're in now.

6 And then the next level of tiebreaker would be
7 projects that have a lower district contribution. We feel
8 like that's in the spirit of the program. The whole idea of
9 this program was to kind of help out districts that are
10 unable to provide these facilities for themselves. And so
11 we thought it made sense.

12 And then if those two can't -- if everything's the
13 same still, we would do a lottery system. And again, if
14 anybody has any ideas about a better way to do this or any
15 other ideas about tiebreakers, we'd be happy to hear them.
16 Those are the ones that we came up with, though.

17 And I think that's it. That's the new information
18 we have. We would love to have any questions that you might
19 have or feedback. Yes.

20 UNIDENTIFIED SPEAKER: Point of clarification.
21 These projects don't have to participate in the priority in
22 funding round.

23 MR. LAPASK: That's correct. They do not.

24 UNIDENTIFIED SPEAKER: Okay.

25 MR. LAPASK: Yeah. They don't. We have the cash

1 available, so we don't have to wait for bond sales. And so,
2 yeah, we are able to -- as long as you meet the requirements
3 for fund release, we can release the cash immediately.

4 UNIDENTIFIED SPEAKER: And then on the excluded
5 portables question, it's kind of a moot point because you
6 can't use these dollars for portables to put a new portable
7 on a campus anyways, right?

8 MR. LAPASK: Basically, that's true, yeah. We
9 just wanted to clarify. It was a question we had. So we
10 wanted to make sure that we addressed it.

11 UNIDENTIFIED SPEAKER: Okay.

12 MR. LAPASK: Yeah, but you're right.

13 UNIDENTIFIED SPEAKER: Thank you.

14 MR. LAPASK: Thank you. Anybody else? Okay.

15 Hopefully, it's clear. We're very excited about this
16 program. We're hoping it's popular. We think it fills a
17 need that -- there is a need out for them, so we're hoping
18 that people take advantage of it and come in and apply.

19 Again, we have a brand new team for it and we're
20 all very excited to get this thing rolling. We're
21 envisioning taking regulations to the October State
22 Allocation Board meeting.

23 We're going to have one more stakeholder meeting
24 to finalize and we're going to present regulations at that
25 meeting as well as I hope -- I think our forms and that list

1 of eligible and ineligible expenditures. We're getting to
2 the finish line there on that stuff.

3 I don't know if we've -- have we scheduled that
4 yet? I don't think we have. Okay. So, yeah, we're aiming
5 for the first week of October for that meeting. And then
6 the program will -- I think we'll begin accepting
7 applications in January. So we're moving pretty quick and
8 that's why we implemented the options to come into the
9 program if you don't have DSA approval already. There's
10 ways to get in early.

11 UNIDENTIFIED SPEAKER: The start date for the
12 first round? Was it January 2nd --

13 MR. LAPASK: Yeah. It is --

14 UNIDENTIFIED SPEAKER: -- till the 23rd you said?

15 MR. WATANABE: January 2nd through January 31st.

16 MR. LAPASK: January 2nd to January 31st, yeah.

17 MR. WATANABE: Depending on when we get the
18 regulations approved --

19 UNIDENTIFIED SPEAKER: (Inaudible)

20 MR. WATANABE: (Inaudible) if we can get them
21 approved on January (inaudible).

22 MR. LAPASK: Michael was saying it's going to
23 maybe depend a little bit on when we have regulations
24 approved, but we're hoping that they'll be approved by
25 January 2nd and we're able to start accepting applications

1 right away. Anybody else have any questions?

2 Okay. So for those of you that are here and for
3 anybody that's watching this, we're available. If you would
4 like to discuss this, give us a call or send us an email.
5 If you have any comments or feedback, we'd love to hear it
6 and again, we're going to have another stakeholder meeting.
7 I think it's going to be in Sacramento.

8 UNIDENTIFIED SPEAKER: -- be webcast during --

9 MR. LAPASK: It's not a live webcast, but we're
10 going to post it on our website, this meeting, yes.

11 UNIDENTIFIED SPEAKER: All right.

12 MR. LAPASK: Yes. Yeah. It'll be at the normal
13 area of our website.

14 MR. WATANABE: And just to follow up. So for the
15 third meeting, we intend to webcast that one live. We just
16 didn't have capabilities at this building.

17 UNIDENTIFIED SPEAKER: What's the website again?
18 I'm sorry. (Inaudible)

19 MR. WATANABE: Our homepage?

20 UNIDENTIFIED SPEAKER: Yes, where it's going to
21 (inaudible).

22 MR. WATANABE: It should be www.dgs.ca.gov then
23 slash OPSC, I believe.

24 UNIDENTIFIED SPEAKER: (Inaudible)

25 MR. WATANABE: The question was if anybody had any

1 additional thoughts of ways to break ties beyond what we
2 have published here. We know the priority item was those
3 that were financial hardship or areas that served high
4 populations of free and reduced lunch -- meals.

5 So we thought that was one idea, but we're totally
6 open to suggestions. There's lot of ways to break the ties.
7 No concerns?

8 All right. I think that's it. So once again,
9 thank you for your attendance. This webcast, we will put
10 live -- recording on our website early next week. So if you
11 have any follow-ups, again like Brian mentioned, our email
12 addresses and phone numbers are on the webpage.

13 If you go to our directory of services, you'll
14 also find the new team's phone numbers, also has contact
15 information. All right? Thank you again. Appreciate it.

16 (Whereupon, at approximately 9:35 a.m., the
17 proceedings were adjourned.)

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REPORTER'S CERTIFICATE

STATE OF CALIFORNIA)
) ss.
COUNTY OF SACRAMENTO)

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That the proceedings herein of the California State Allocation Board, Stakeholder Meeting, were duly transcribed by me;

That the foregoing transcript is a true record of the proceedings as recorded;

That I am a disinterested person to said action.

IN WITNESS WHEREOF, I have subscribed my name on September 19, 2018.

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